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for the

District of Columbia Circuit

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In the Court of Appeals of the District of Columbia.

JANUARY TERM, 1905.

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No. 1521.

No. 11, Special Calendar.

FREDERICK I. ALLEN, Commissioner of Patents, Appellant

vs.

THE UNITED STATES OF AMERICA, EX RELATIONE GEORGE A. LOWRY AND PLANTERS COMPRESS COMPANY.

SUPPLEMENTARY MEMORANDUM OF POINTS FOR THE APPELLEES.

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In the Court of Appeals of the District of Columbia.

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FREDERICK I. ALLEN, Commissioner of Patents, *Appellant* *vs.* THE UNITED STATE OF AMERICA *ex relatione* GEORGE A. LOWRY AND PLANTERS COMPRESS COMPANY.	No. 1521. No. 11, SPECIAL CALENDAR.

SUPPLEMENTARY MEMORANDUM OF POINTS FOR THE APPELLEES.

The brief for the appellant (p. 1) does not correctly state the case that is presented to the Court.

Lowry's motion to dissolve was based upon all the grounds mentioned in Rule 122, viz:

No interference in fact (which in the Patent Office is interpreted to mean that, properly construed, the rival specifications do not describe the same invention). Irregularity in declaring the interference; denial of patentability of the applicant's claim; denial of his right to make the claim, (Record, p. 2, para. IV). The allegations of paragraph IV of the petition are admitted by the respondent (Record, p. 12, para. IV; Record, p. 21, stipulation).

This appeal therefore raises the question whether the Board of Examiners-in-Chief should have entertained Lowry's appeal either as to that part of his motion which raised the question of interference in fact (by office practice under para. 1, Rule 124, *appealable*, but to the Commissioner direct), and also the question whether the Board should have entertained the appeal of Lowry as to that part of his motion which raised the question of right to make the claim, etc. The Board in its opinion discusses only the latter question, but its *decision* is that it has no jurisdiction, because Rule 124 has the force of Statute, so far as the Board is concerned and the order following upon the decision, dismisses the appeal absolutely (Record, p. 9). It is *decisions* which operate and are appealed from and not the reasons given by the tribunal for its decision.

The question therefore in this appeal is whether the Commissioner should have reversed the Board, either in whole or in part. If so, the order of the Court below was right and should be affirmed.

It was suggested at the argument that Lowry practically could have review of the decision of the Primary Examiner upon hearing and appeals on the matter of priority. This review being secured under Rule 126. It is submitted that this auxiliary proceeding is not equivalent to the right which one of the parties is denied under paragraph 2, of Rule 124.

If Lowry in the present case submitted to the inhibition of Rule 124, "From a decision of the Primary Examiner affirming the patentability of the claim or the applicant's right to make the same, *no appeal can be taken*," the matter would then be *res adjudicata*.

> Rule 122, paragraph 2. "When the motion has been decided by the Primary Examiner, if no appeal has been taken therefrom, at the expiration of the time limited for appeal, the Examiner will return the files and papers, with his decision, to the Examiner of Interferences. Such decision will be binding on the Examiner of Interferences unless revised or modified on appeal." (Rule 124.)

If the Primary Examiner's decision is binding upon the Examiner of Interferences, the Examiner of Interferences, cannot make any *decision* upon the matter. Upon appeal from the Examiner of Interferences to the Board of Examiners-in-Chief there would therefore be no decision by the Examiner of Interferences on this matter for the Board of Examiners-in-Chief to review. If the party had neglected to appeal from the Primary Examiner to the Board of Examiners-in-Chief, in obedience to paragraph 2 of Rule 124, there would obviously be no decision at all for the Board to review, and as decisions are the only reviewable matters, as matter of law, the Board could not review, since the decision is not before it, but has been *acquiesced* in by the party. It is true that the Board of Examiners-in-Chief might, if it chose, call the attention of the Commissioner to any matters thought by them to require his review, under Rule 126. But its refusal so to do would not be matter of complaint, nor would the party aggrieved have any remedy for such failure of the Board to act under Rule 126. It is true that the Commissioner might either on attention called, or on his own initiative, review the matter, but his refusal to do so would not be reviewable by this Court, so that if he did refuse, the party to an interference would come to this Court with the question of identity of invention

res adjudicata, by the supineness of the party himself. The statute gives *appeal*, and only appeal can preserve the party's right to have the question of identity reviewed as a matter of right and not of favor, both in the course of the proceeding through the Patent Office, and finally in this Court. Rule 126 is not a practical substitute and equivalent for the appeal of Section 4909 and Section 482 of the Statute. It is purely auxiliary.

Rule 124, paragraph 2, practically forbids one of the parties to an interference **to save his rights.**

Mr. Coit insisted, in brief and argument, that the right to make motions was granted by the Commissioner, and that the right to make a motion to dissolve arises out of Rule 122.

Nothing could be further from the legal fact. The right to move the Court is a part of the established machinery of the English law. Rule 122 does not create the right to move to dissolve an interference, nor does it purport to. In fact, it recognizes the right as pre-existing.

> Rule 122: "Motions to dissolve an interference upon the ground, etc. * * * should, if possible, be made not later than the twentieth day after the statements of the parties have been received and approved, etc., etc."

Rule 122 merely regulates the time within which the right to move must be exercised.

Counsel for appellant was evidently troubled by certain peculiarities of office practice. He urged the argument of inconvenience as against appellee's contentions that he had a right of appeal on a motion to dissolve. Obviously the fact that appeals are allowed to both parties by the office, on motions to dissolve, when the reason urged in

support of the motion is irregularity or no interference in fact, etc., is not consistent with the argument that it would multiply hearings and be inconvenient to allow an appeal on a motion to dissolve when the matter urged in support of the motion is no right to make the claim, etc. It ought to be and is just as inconvenient in one case as the other.

Furthermore, if a motion to dissolve is appealable when urged on one point, it ought to be appealable when urged on another. This is met by the *assertion* that the appeals, which are allowed on motions to dissolve are mere reviews, and are not appeals allowed under the statute. That they are appeals is clear. Rule 124, paragraph 1:

> "*Appeals* may be taken directly to the Commissioner from the decisions on all motions, except the following, etc."

The apparent inconsistency is dealt with by Mr. Coit, as follows (brief for appellant, p. 16):

> "The Commissioner, as the head of the office, has concluded to review the interlocutory rulings upon certain questions prior to final hearing, but this is not the appeal provided for in the statutes (Sections 4909 and 4910). It is something that he can do and has done for many years, but that he is not required by statute to do."

The only reason apparent to counsel for the appellees for the assertion that the appeals allowed are "not the appeal provided for in the statutes," is that the course of appeal is diverted direct to the Commissioner, *contra* to the statutory provisions of Section 4909 that appeals from a Primary Examiner go in the first instance to the Board of Examiners-in-Chief.

Obviously the appellant is obliged to take this strange position that appeals actually allowed to the Commissioner from a Primary Examiner to review his (Primary Examiner's) decision on a motion to dissolve, when that decision is based upon a certain alleged reason or ground are not appeals under Section 4909; otherwise, the fact of allowance of appeal from such a decision by a Primary Examiner would be, in effect, an admission that the statute provide for appeals as the appellees contend, and this would be fatal to appellant's case, since it would be impossible to explain why any appeal should lie from a Primary Examiner, when his decision was (let us say) that a motion to dissolve should not be allowed, because there was interference in fact, and should not lie when his decision was that a motion to dissolve should not be allowed, because the other party had a right to make the claim.

This apparent inconsistency is easily reconciled by asserting that the statute gives *no appeal* from a Primary Examiner on *any* decision of a motion to dissolve, but that the Commissioner, of his grace, gives such an appeal in some cases and refuses it in others.

Considering now the statute under which the right of appeal from any decision of the Primary Examiner in an interference case here contended for, is given; it is submitted.

1. The natural, plain and grammatical construction of Section 4909 of the Revised Statutes confers the right of appeal in interference cases from the decisions of the Primary Examiner as well as from the decisions of the Examiner in charge of interferences, and—

2. That construction is most consistent with the inten-

tion of the legislature as derived from the rest of the statute, and the course of legislation on the subject.

I.

1. The essential part of the section reads:

"Every applicant for a patent or for the reissue of a patent, any of the claims of which have been twice rejected, and **every party to an interference** may appeal from the decision of the Primary Examiner or of the Examiner in charge of interferences * * * "

This language is clear and unequivocal. "Every applicant," etc., and "Every party to an interference" are alike entitled to appeal. Section 482 of the Revised Statutes provides that it shall be the duty of the Examiners-in-Chief on appeal "To revise and determine upon the validity of adverse decisions of examiners upon applications for patents, and for reissues of patents and in interference cases." The appeal therefore to which "Every party to an interference" is entitled is clearly an appeal from *any* examiner who may render a decision in an interference case adverse to the party appealing. Now decisions adverse to a party to an interference may be rendered upon *other* questions than the mere question of *priority*, namely, questions arising upon what, for convenience, may be termed interlocutory motions.

Such questions are those which arise upon motions to dissolve the interference upon the grounds that the claim in interference is not patentable, or that one party has no right to make the claim, or that there is no interference in fact, or any motion which may be made, in the interference proceeding, which in most of its aspects, has the essential elements of a suit between the parties, for any relief for

which any party thereto may properly apply. Some or all of these motions may be made in the first instance or referred in the first instance, to the Primary Examiner, because they involve questions cognate to his duty of examining into the scope and validity of claims upon original applications. Whatever may have been the original practice before the promulgation of the rules of the Patent Office, the right to make such motions, and the power of the Commissioner to assign the duty of hearing such motions to the Primary Examiner in the first instance, and the fact that the Primary Examiner was the appropriate official to hear such motions in the first instance existed when the Statute of 1870 was passed, and when the Revised Statutes were passed in 1874. The rules of the Patent Office from the first rules issued in 1870 to the present time, recognize, as they must, the existence of the right of appeal, a right derived from the Statutes, not from the rules, and are drawn in view of the settled practice that *some* of the decisions from which an appeal lies in interference cases are decisions of the *Primary Examiner*, and in particular instances especial provision is made for referring such motions to that official.

Neither the duties of the Primary Examiner nor of the Examiner in charge of Interferences are fully expressed in the statute. So far as they are not presented by the statute they are left to be assigned by the Commissioner. Inasmuch, therefore, as the Commissioner has always had the power to assign the decision of interlocutory motions in interference cases to the Primary Examiner in the first instance, and for many years the Primary Examiner, under the rules, has decided such motions, Section 4909, must mean that from any decision which *might* be rendered by a Primary Examiner in an interference case

every party to such interference to whom said decision was adverse might appeal to the Board of Examiners-in-Chief and the Commissioner.

The interpretation that the appeal is limited to decisions in interference cases rendered by the Examiner of Interferences and *excludes* decisions in such cases rendered by the Primary Examiner is, as is respectfully submitted, forced, unwarranted, and requires an interpolation in the language used which changes its plain and direct meaning.

The construction here claimed is in accordance with the obvious intent of the statute as part of the system which creates a succession of appeals to the Commissioner and conforms the proceedings in the Patent Office to those of Courts clothed with original and appellate jurisdiction. This system does not deprive the Commissioner of his supervisory power over the granting or refusing of patents, but it relieves him from the burden of having that power invoked unnecessarily, and provides a regular course of review for the ordinary cases which come up to him for final decision, which is intended to promote and does promote the orderly transaction of the judicial branch of the busness of the Patent Office.

The interpretation of Section 4909 urged by the Honorable Commissioner would result in an arbitrary exclusion of some litigants from the benefit of the statute while allowing it to others. It is a statute that is beneficial and remedial, and secures to *every party to an interference* an appeal and the benefit of the revision of the Board of Examiners-in-Chief as well as that of the Commissioner, and should be liberally construed in favor of the parties (interferants) to whom it relates. In this case a contrary construction—even if such con-

struction were legally possible, which, as we submit, it is not; would compel Lowry to rest under an adverse decision without any *right* to have it reviewed, and without any circumstances which would sustain a request to make it one of the exceptional cases that the Commissioner might review, though no right of appeal existed. The decision is adverse because it affects Lowry as *patentee* as well as one of the public. He seeks to be relieved from the delay and expense of an interference suit, if there is no interference in fact, and from the irremediable injury to him as a patentee and as to the business done under his patents if a rival patent issues which the Patent Office has determined is for the same invention as his own. An invasion of property by running a railroad through a common and also through a private house, affects the owner of the private house to the same extent as his neighbors, so far as relates to the common, but it *also* inflicts a peculiar injury upon him in respect to his private property.

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Solicitor for Appellees.

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OF THE DISTRICT OF COLUMBIA.

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No. 1521.

No. 11, SPECIAL CALENDAR.

Frederick I. Allen, Commissioner of Patents, Appellant,

v.

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REPLY BRIEF FOR APPELLANT.

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WASHINGTON:
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THE UNITED STATES OF AMERICA,
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No. 1521.
No. 11, Special Calendar.

REPLY BRIEF FOR APPELLANT.

The brief for appellees, page 13, misquotes section 4909, Revised Statutes. It omits parts which change entirely the meaning of the words quoted.

The statute does *not* say that an appeal may be taken from the primary examiner in an interference case. It does not say that any more than it says an appeal may be taken from the "examiner in charge of interferences" in regard to the *rejection of a claim.*

Two things are mentioned as appealable—first, rejection of a claim; second, decisions in interferences; and two tribunals are mentioned—first, primary examiner; second, examiner in charge of interferences. The duty of the first is and always has been to reject claims, the duty of the second is and always has been to decide interferences. The meaning of the statute is perfectly plain.

The distortion of the plain, clear, and obvious meaning of the statute by appellees is to support their attempt to make

it appear that there is specific provision in section 4909 for appeal from the primary examiner on a motion to dissolve. There is no such specific provision, and even if the statute said (which it does not) that an appeal could be taken from the primary examiner in interference cases it would not have meant interlocutory decisions on motions, for no such decisions were being rendered upon such motions by the primary examiner at that time. It would have meant the final decision of the interference, for it does not say that interlocutory rulings should be appealable. In the absence of such specific statement, the final decision is meant.

The appellees say in their main brief, page 16:

> "The only questions coming before the primary examiner in an interference are of an interlocutory character to the entire interference, though affecting a substantial right, and if they are not appealable nor reviewable because interlocutory in their nature, that is, not the final question of the controversy, then the statute, which gives an appeal from an officer who has only interlocutory questions before him, is rendered meaningless."

This argument is based upon the erroneous premises that the statute provides for an appeal from the primary examiner and that the primary examiner was required to decide interlocutory questions. Both premises are wrong and consequently the conclusion is wrong.

The decision in the interference may furnish a basis for the rejection of claims by the primary examiner. He may reject the claims of the defeated party after the conclusion of the interference on the ground that he is not the first inventor. (See Rule 132.) The decision in the interference simply makes the successful party's construction a part of the prior art against the defeated party. It does not prevent the defeated party from insisting upon his right to his claim, notwithstanding the decision that his opponent was first in point of time. If the inventions are

different, the priority of the first is no bar to the grant of his opponent's claims. To be a bar it must not only be prior, but must be substantially the same operative invention.

As said by Commissioner Duell in *ex parte* Guilbert, 85 O. G., 454:

> "The fact that the application or patent of the successful party to the interference has become a part of the prior act will not militate against the grant of claims to the defeated party for subject-matter not found in the structure of the successful party. The claims of the defeated party which were embraced or said to be involved in the interference may be considered, and if patentably different from the invention disclosed by the successful party they may be allowed."

If the defeated party's claims are rejected he may appeal *ex parte*, and contest the question of identity before all appellate tribunals. (*Ex parte* Schupphaus, 100 O. G., 2775.)

In other words, the interference settles the relative *dates* of the parties and leaves for subsequent *ex parte* determination the question whether the one later in date is barred from receiving a patent.

The allegation by the appellees that the decision of the primary examiner on motion finally settles the question presented and cuts off the right of review is absolutely unfounded. There may be review both in and after the interference.

His decision is subject to review by the examiners-in-chief and also by the Commissioner *in the interference*, under the provisions of Rule 126. Such review is with the final decision.

What more do they want? They get the review and the fruits of that review in so far as the tribunals of the Patent Office are concerned. Their purpose in wishing a separate formal entry of judgment on that review seems to be to bring the question to this court on appeal.

Aside from the review in the interference under Rule 126, the defeated party ordinarily has the right of review of the question of identity *after the interference is over.* As above stated, if his claims are rejected he may appeal from that rejection and contest the question of identity.

It is true that in the present case there will be no rejection of the appellee Lowry's claims even if he is defeated in the interference, since he already has his patent and the Patent Office can not take it away from him. This does not, however, alter or affect the principle that he would have the right of *ex parte* appeal, if there was any necessity for it, to establish his claimed right to a patent. He is in the same position that he would be in if he appealed and was successful on his appeal, that is, he has his patent. He will have no appeal simply because he has all that the appeal could give him.

The ruling of this court in Seymour *v.* U. S. *ex rel.* Brodie, 79 O. G., 509, 10 App. Cases, 567, is pertinent here.

It is apparent that the rules of the Patent Office amply protect parties in their rights, and that there is no good reason for permitting appeals on interlocutory motion prior to final judgment. Review is provided at the proper time for all rulings which deprive a party of his claimed rights. The review by appeal is and should be, however, after the final decision.

The contention, pages 15–16, appellees' main brief, that the rule that interlocutory matters are not appealable to the court does not apply to the Patent Office, because the Patent Office is not a court, is unsound, for, as said in volume 2, Encyclopædia of Pleading and Practice, page 56:

> "The rule that an appeal can only be prosecuted from a final judgment applies to all tribunals from whose action an appeal lies, except as otherwise provided by statute. Thus appeals from probate court must be from such sentence, order, or decree as constitutes a final disposition of the subject-matter."

In considering appeals in patent cases, this court is acting not so much as a court as one of the appellate tribunals created by the statute, for, as said by the Supreme Court in Butterworth *v.* Hoe, 112 U. S., page 50:

> "It is evident that the appeal thus given to the Supreme Court of the District of Columbia from the decision of the Commissioner is not the exercise of ordinary jurisdiction at law or in equity on the part of that court, but is one step in the statutory proceedings under the patent laws whereby that tribunal is interposed in aid of the Patent Office, though not subject to it."

If the rule applies to this court it surely applies to the other tribunals in the line of appeal.

On page 4 of their supplemental brief counsel for appellees misconstrue or misapply my statement that interlocutory motions are not provided for by statute.

I have not said that parties have no right to make motions in interference. I simply said that their right comes from general principles of law and by analogy to court practice. That being the only authority for the motion, the rights of the parties *on* the motion must be determined by the *same* authority. The general principle undoubtedly is that interlocutory rulings are not appealable prior to final judgment.

In their supplemental brief, pages 1–2, the appellees make the statement, made orally at the argument, that their appeal to the examiners-in-chief included all questions which may be raised by motion under Rule 122, and not merely the right of Spoon to make the claim of the issue.

Paragraph IV of the Petition (page 2, Record) says appellees made a motion to dissolve under Rule 122. Paragraph V says when the case came before the Commissioner, Spoon asked that the case be remanded to the primary examiner

"for reconsideration of the question of operativeness of the Spoon press to make the issue bale." Paragraph VI says Spoon's request was granted, and after hearing the primary examiner "* * found the Spoon press operative to make the issue bale. Paragraph VII says that " * * Lowry appealed from this decision * * ."

The matter of the operativeness of Spoon's press is the only question specifically mentioned in the petition as having been decided adversely to Lowry and is the only matter upon which it is alleged that he appealed.

This matter is, however, made still clearer by the appellees' "replication" found on pages 13–14 of the Record, where, after referring to the refusal of the Patent Office to entertain an appeal in this case, they say:

> " * * * and the relators aver that on the other interlocutory questions raised on motions to dissolve under Rule 122, the Patent Office allows the right of appeal to both parties, namely, on motions to dissolve on the ground that no interference in fact exists, and upon motions to dissolve for irregularity in declaring the interference, and also upon motions to shift the burden of proof, and all other interlocutory motions."

This is surely an admission that the *other questions* referred to are not involved here.

Even if those *other questions* were involved here, I submit that the appellees would not be entitled to appeal to the examiners-in-chief from the decision upon interlocutory motion, but they are not in fact involved and the attempt to now inject them into the case simply confuses the issue before the court.

It surely can not be held that the appellees are entitled to appeal to the examiners-in-chief before final judgment upon every interlocutory motion which they choose to make in an interference.

In conclusion it is submitted:

The appellees either are or are not entitled to a review by the appellate tribunals of the right of Spoon to make his claims *as a part of the interference proceeding.*

If they are *not* entitled to such review they are, of course, not entitled to it on interlocutory motion.

If they *are* entitled to the review *as a part of the interference proceeding* the review should be upon the final decision.

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